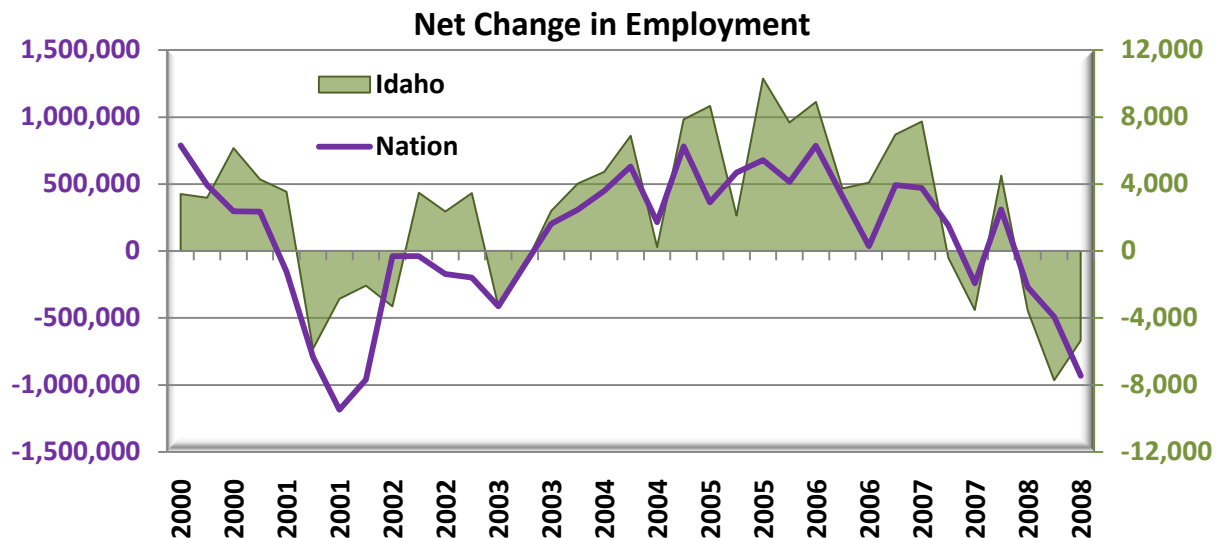


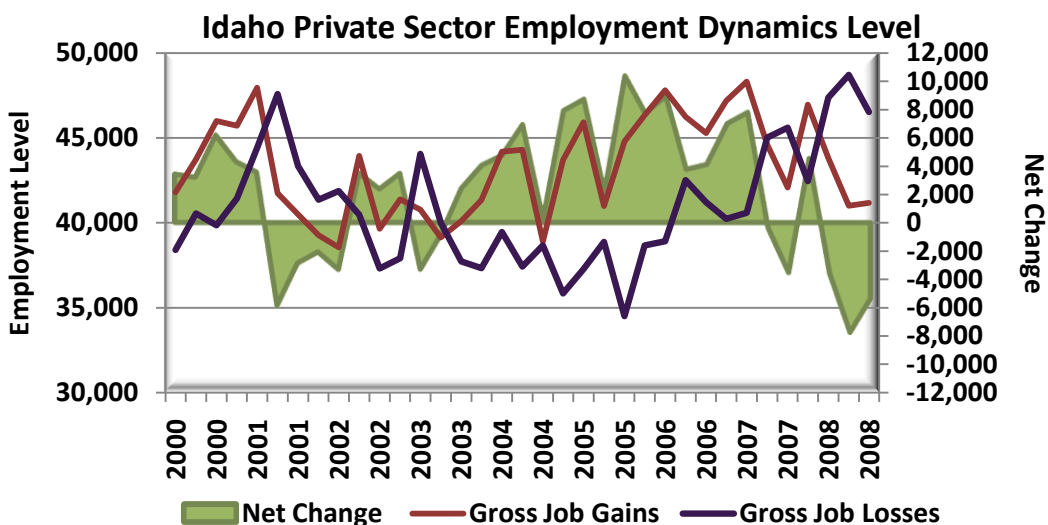
Idaho Business Employment Dynamics
Third Quarter 2008 (August Newsletter Release)

IDAHO SEES THIRD STRAIGHT QUARTER OF JOB LOSSES

Idaho suffered a net loss of 16,648 private sector jobs during the first nine months of 2008 on a seasonally adjusted basis as the initial three quarters of the recession took a significant toll on the Idaho economy. It was the first time since the 2001 recession that the state has seen three consecutive quarters of job loss, according to the Business Employment Dynamics program of the U.S. Bureau of Labor Statistics.

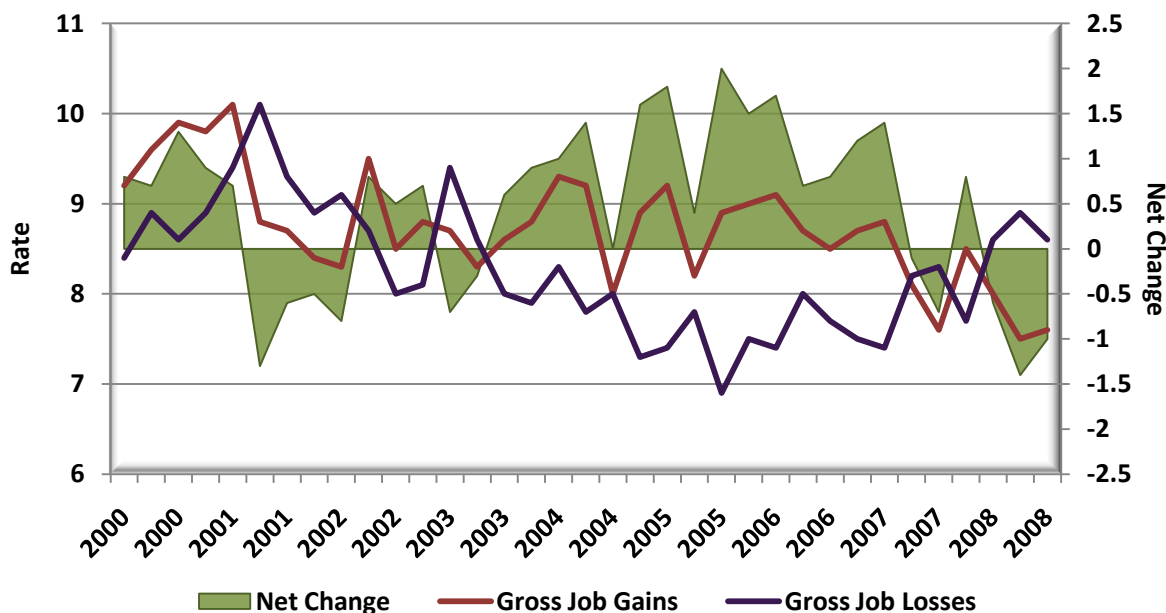


The Business Employment Dynamics program tracks information on job gains and job losses from private businesses opening, expanding, closing, and downsizing, providing another tool for analyzing the business cycle. From July to September 2008 Idaho's opening and expanding businesses added just 41,167 jobs while those closing or downsizing cut 46,527. That net loss of 5,360 jobs was the largest third quarter job loss on record and followed the second quarter net job loss of 7,726 jobs, the largest job erosion in any quarter since the statistical series began in 1992.



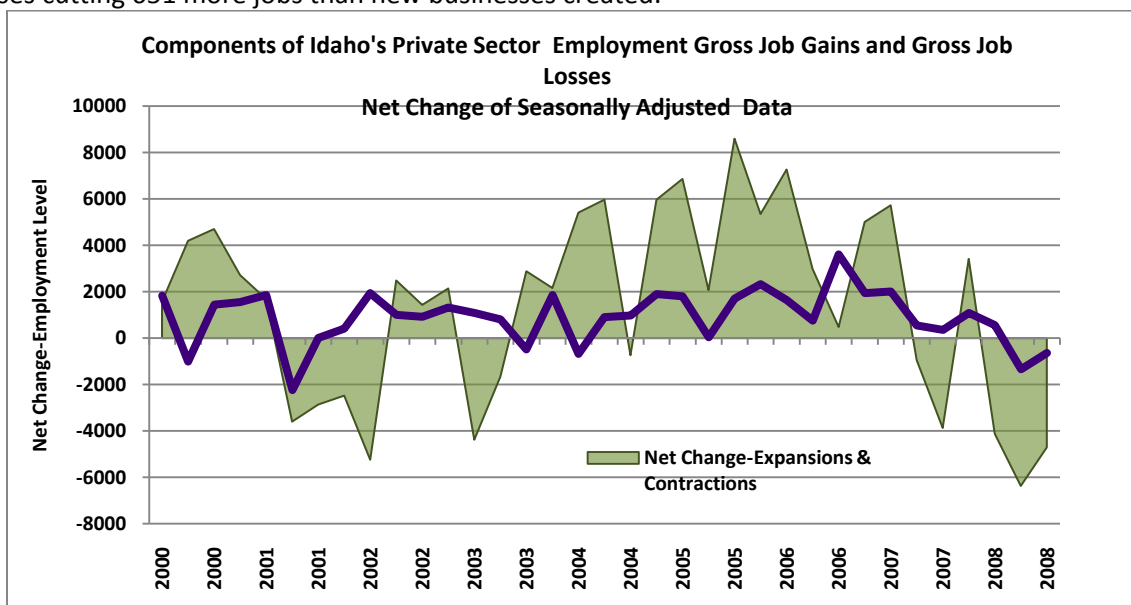
While the National Bureau of Economic Research marks the recession's start in December 2007, Idaho began seeing a downturn during the second quarter of 2007. In August of 2007, Idaho had one of the nation's lowest unemployment rates at 3 percent, but business dynamics were showing that Idaho's private sector employment posted an uncharacteristic net loss of 3,562 jobs during that quarter.

Idaho Private Sector Employment Dynamics



Sluggish job gains in the private sector continued through the third quarter of 2008, and the 7.6 percent increase in jobs due to businesses opening or expanding was more than offset by an 8.6 percent decline in jobs from businesses downsizing or outright closing.

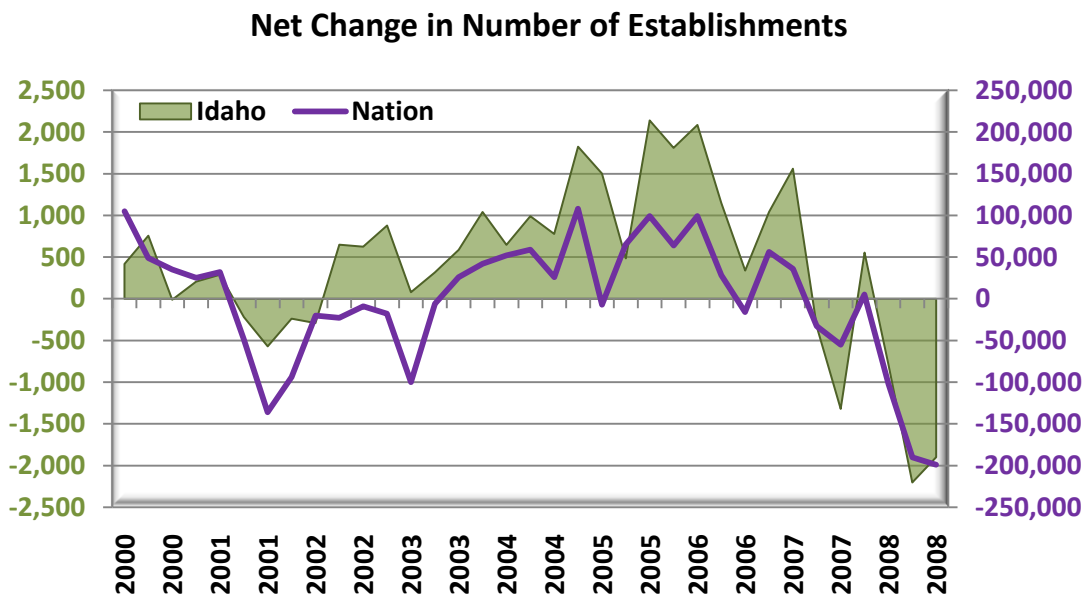
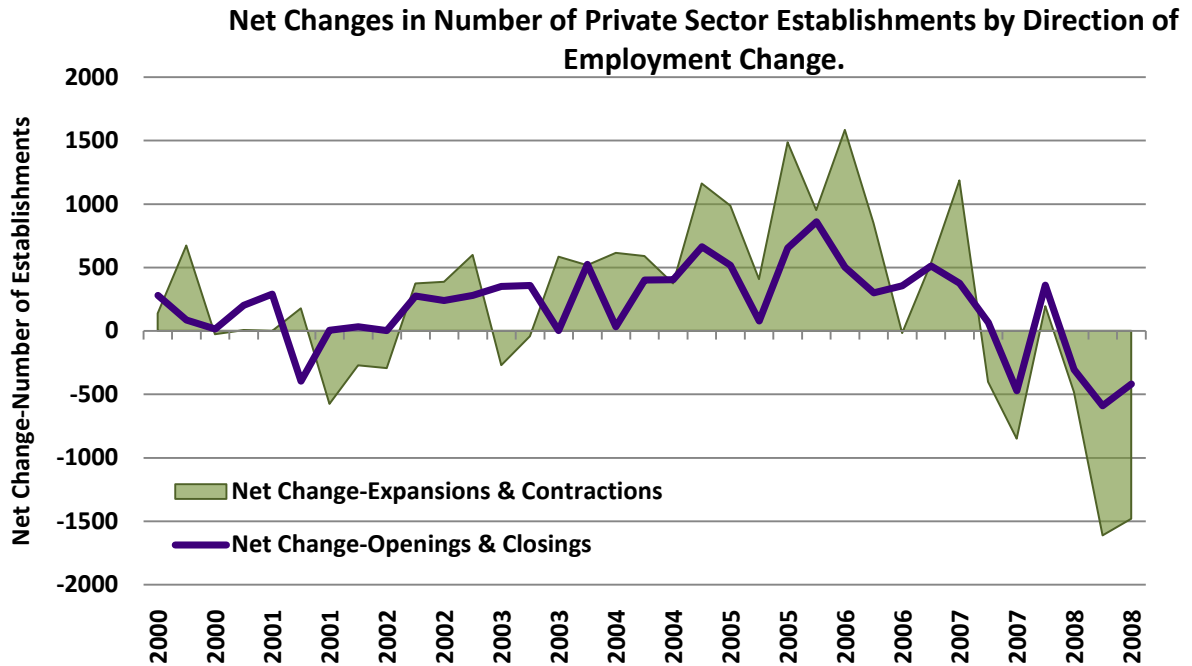
There were businesses still expanding in Idaho during the third quarter of 2008, and they added 32,015 jobs. But the impact of the recession took a larger toll on businesses that had to pull back for economic reasons. They cut 36,724 jobs. That net loss of just over 4,700 was compounded by closing businesses cutting 651 more jobs than new businesses created.



Just under 12,000 of Idaho's 50,000 businesses added jobs during the third quarter of 2008 – 9,228 through expansion and 2,729 opening for the first time. But nearly 14,000 others eliminated jobs – 10,709 downsized and 3,147 closed altogether.

Nationally, the nation suffered a net third quarter 2008 job loss of 932,000 stretching across all economic sectors. New and expanding businesses created 6.8 million jobs, 436,000 fewer than in the second quarter. But that was more than offset by the loss of 7.7 million jobs as even more businesses closed or pared payrolls.

Health care and education picked up 93,000 jobs across the county during the quarter while natural resources including mining added 19,000 and utilities 1,000. But those gains were overwhelmed by the loss of 211,000 jobs in



manufacturing, 180,000 in professional and business services, 178,000 jobs in construction, 170,000 in retail trade, 145,000 in leisure and hospitality and 84,000 in financial services. This was the largest quarterly loss for financial services of the five straight quarters it has seen jobs contract.

Alaska reclaimed the highest gross job gain at 9.7 percent followed by Wyoming's 9.5 percent. Idaho and Montana posted job gains at 7.7 and 7.6 percent respectively, a tenth of a percentage point higher than the second quarter gains. Alaska's job gain, however, was more than offset by a 10.8 percent increase in gross job losses, and Idaho's gain was overshadowed by 8.6 percent increase in job losses. Maine and Wyoming ranked third with 8.4 percent increases in job losses. Overall Idaho's economy through the first three quarters of 2008 fell at record rates with further declines anticipated.

*The Business Employment Dynamics data series includes job gains and losses at private sector establishments. The data represent the change in the number of jobs over time, which is the net result of increases and decreases in employment that occur at all businesses in the economy. For more information on Business Employment Dynamics series, go to the Web site at www.bls.gov/bdm/.

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*This article also appears in the August 2009 issue of Idaho Employment Newsletter. Click [HERE](#) to read the newsletter.